



PRESS RELEASE

House Armed Services Committee

Floyd D. Spence, Chairman

FOR IMMEDIATE RELEASE

February 8, 2000

CONTACT: Maureen Cragin

Ryan Vaart

(202) 225-2539

OPENING STATEMENT OF CHAIRMAN SPENCE

FULL COMMITTEE HEARING ON CSIS

“DEFENSE TRAIN WRECK” REPORT

Today’s hearing begins the committee’s oversight of the fiscal year 2001 budget by focusing on the relationship between U.S. military strategy and defense resources.

Yesterday, the Administration officially released its defense budget request for fiscal year 2001. This is the Administration’s last budget proposal, and the first to propose a significant real increase in defense spending. Tomorrow, Secretary of Defense Cohen and Chairman of the Joint Chiefs General Shelton, will appear before the committee to present the Department’s budget request. And rounding out the week, on Thursday the committee will hear from the four service chiefs on the state of our military forces.

For years there has been bipartisan concern that the level of resources – dollars and forces – devoted to national defense is insufficient to permit the services to execute the national military strategy. The nation’s military strategy, which calls for our military forces to be able to successfully fight two nearly-simultaneous major theater wars, was reaffirmed by the Department’s 1997 Quadrennial Defense Review, or QDR, and, most recently, by the National Security Strategy document released last month by the White House.

However, in recent years, the services’ ability to carry out this strategy has been placed at considerable risk due to the combination of inadequate resources, shrinking forces, and extensive operational deployments – particularly peacekeeping operations. In fact, this combination of factors has put at serious risk the viability of our all-volunteer force – a force that took a generation to build following Vietnam.

In this context, the committee today will examine a recent report by the non-partisan Center for Strategic and International Studies (CSIS). In this recent study, “Averting the Defense Train Wreck in the New Millennium,” CSIS concludes that the U.S. military is underfunded, estimating that, on average, an additional \$100 billion dollars per year for the next five years will be required just to maintain our current level of military capability.

Much is being made of the fact that the Department’s budget request will propose, for the first time, a level of procurement funding that meets the \$60 billion dollar target established by the Joint Chiefs back in 1995. While representing a welcome, albeit long overdue, development, this modest level of investment

(MORE)

will be inadequate to ensure even current capabilities. The CSIS analysis before us today concludes that the Administration's procurement budgets are underfunded and that if the Department of Defense continues its pattern of funding near-term budget shortfalls at the expense of acquisition programs, the equipment our military forces rely on today will face obsolescence long before it can be replaced with more modern systems.

Overall, the study ominously concludes, and I quote, "Without larger defense budgets, the military services will have no choice but to reduce both force structure and personnel and accept higher military risks."

In the forward to the CSIS study, our first witness today, former Secretary of Defense James Schlesinger, notes "the coming defense train wreck is principally the result of a failure by the Administration to provide the funds necessary to pay for the kinds of military force and tempo of operations dictated by its foreign policy.... The United States simply cannot continue to play the global leadership role envisioned by the current national security strategy without a substantial increase in defense spending." This has become an all-too-familiar assessment over the past eight years.

To help us better understand the implications of this growing problem, the committee is pleased to welcome former Secretary of Defense and member of the CSIS Board of Trustees, Dr. James Schlesinger, along with the co-authors of the CSIS study, who are:

- Daniel Gouré, Deputy Director of the CSIS International Security Program; and
- Jeffrey Ranney, Senior Associate at CSIS and Director for Strategic Planning and Financial Analysis at Management Support Technology, Incorporated.

As a second panel later this afternoon, the committee will hear from former Secretary of Defense William Perry, who will offer his perspective on the relationship between U.S. military strategy and defense resources.